

**Date: September 27, 2012**

**To: Thomas J. Bonfield, City Manager**

**Through: Wanda S. Page, Deputy City Manager**

**From: David Boyd, Finance Director  
Lynette McRae, Purchasing Supervisor**

**Subject: Bids – Estimated Annual Requirements for Aggregates**

### **Executive Summary**

The contracts under consideration will furnish/provide the City with its estimated annual requirements for Aggregates. Aggregates are used to achieve soil stabilization around water and sewer pipes, road maintenance and repairs. Various City departments use aggregates in their day-to-day operations.

Two suppliers, Carolina Sunrock LLC of Raleigh, NC and Hanson Aggregates Southeast LLC of Morrisville, NC were the lowest responsive bidders for awarded sections. The total combined cost of the proposed contracts is \$329,152.00. Funding for the two contracts is available from the respective ordering department/division budgets. There are no good alternatives to making this purchase. All bids received were competitive and within budget.

The Equal Opportunity/Equity Assurance Department reviewed the bids submitted by Carolina Sunrock LLC of Raleigh, NC and Hanson Aggregates Southeast LLC of Morrisville, NC and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

### **Recommendation**

That the bid for the purchase of Section I - Aggregate Delivered and Section III - Item #1 Special #67 Aggregate, Item #2 Special #78M Aggregate, and Item #3 Rail Road #3T Aggregate in the amount of \$278,347.00 from Carolina Sunrock LLC be approved and the City Manager be authorized to execute all relevant contracts; and,

That the bid for the purchase of Section II - Aggregate Pickup in the amount of \$50,805.00 from Hanson Aggregates Southeast LLC be approved and the City Manager be authorized to execute all relevant contracts; and,

That the City Manager be authorized to modify the contract before execution provided that modifications do not increase the dollar amount of the contract and are consistent with the general intent of the existing version of the contract.

### **Background**

Aggregates are used to achieve soil stabilization around water and sewer pipes, road maintenance and repairs. Various City departments use aggregates in their day-to-day operations. Under this contract it will provide City departments / divisions with eighteen types of aggregates and the option of having it either delivered or picked up.

Sections I & III – Aggregates Delivered – have proven feasible and effective for various City departments that do not have truck capability to pick up aggregates.

Section II – Aggregates Picked Up – allows the departments with truck capability and capacity to transport large loads of aggregates to pick up the purchase, especially when aggregates are needed for emergencies, unexpected repairs, maintenance and weather related issues, etc.

### **Issues/Analysis**

The following bids were received for providing the City with its estimated annual requirement for Aggregates. The low bids for Section III, items 1 and 3, resulted in a tie, which was broken by lot drawing performed by the City Clerk.

<b>Item and Description</b>	<b>Carolina Sunrock</b>	<b>Hanson Aggregates</b>	<b>TOTAL</b>
Section I – Aggregates – Delivered	\$161,924.50		\$161,924.50
Section II – Aggregates – Customer Pick Up		\$50,805.00	\$50,805.00
Section III – Special Aggregates Delivered			
Item #1	\$8,772.50		\$8,772.50
Item #2	\$27,900.00		\$27,900.00
Item #3	\$79,750.00		\$79,750.00
TOTAL	*\$278,347.00	*\$50,805.00	\$329,152.00

\*Recommended award

**Alternatives**

There are no good alternatives to making this purchase. All bids received were competitive and within budget.

**Financial Impact**

The total cost of the contracts is \$329,152.00. Funding for these contracts is available from the respective ordering department/division budgets. There are no good alternatives to making this purchase. All bids received were competitive and within budget.

**SDBE Summary**

The Equal Opportunity/Equity Assurance Department reviewed the bids submitted by Carolina Sunrock LLC of Raleigh, NC and Hanson Aggregates Southeast LLC of Morrisville, NC and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

**SDBE REQUIREMENTS**

There were no SDBEs to provide this product.

**WORKFORCE STATISTICS**

The workforce statistics for Carolina Sunrock LLC are as follows:

Total Workforce	218	100%
Total Females	19	9%
Total Males	199	91%
Black Males	63	29%
White Males	120	55%
Other Males	15	7%
Black Females	2	1%
White Females	17	8%
Other Females	0	0%

## Hanson Aggregates Southeast, LLC

Total Workforce	31	100%
Total Females	15	48%
Total Males	16	52%
Black Males	1	4%
White Males	15	48%
Other Males	0	0%
Black Females	5	16%
White Females	10	32%
Other Females	0	0%